IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re: DEEP MARINE HOLDINGS, INC.; et al.	& & & & & & & & & & & & & & & & & & &	Case No. 09-39313 (Jointly Administered)
Debtors	\$ \$	Chapter 11
DEEP MARINE 1, LLC,	§	
Plaintiff	§ 8	
v.	<i>\$</i> \$\to\$ \$\to\$ \$\to\$ \$\to\$ \$\to\$	
THE DEEP MARINE LIQUIDATING	§	Adversary No. 10-3271
TRUST (AS SUCCESSOR TO DEEP	§	
MARINE TECHNOLOGY	§	
INCORPORATED, DEEP MARINE	§	
HOLDINGS, INC., DEEP MARINE 1, LLC	C §	
DEEP MARINE 2, LLC, DEEP MARINE 3	3, §	
LLC, AND DEEP MARINE 4, LLC); ET A	ALŞ	
	§	
Defendants.	§	

GENERAL ELECTRIC CAPITAL CORPORATION'S MOTION TO COMPEL THE DEPOSTIONS OF THE CANDIES PARTIES

Pursuant to Rule 37 of the Federal Rules of Civil Procedure, General Electric Capital Corporation ("GE") files this Motion to Compel the Depositions of the Candies Parties ("Motion to Compel") and, in support thereof, states as follows.

1. GE, Otto Candies, and the Liquidating Trust are parties to Adversary No. 10-3271 ("Interpleader Suit"), which is scheduled for trial on June 6, 2011. The discovery deadline for the lien issues is scheduled for April 15, 2011. GE has been attempting to secure the testimony of the corporate representative of Otto Candies, LLC,

Otto Candies, Jr., Otto Candies, III and Paul Candies (collectively, "Candies Parties") since January of 2011 in the Interpleader Suit.

- 2. On January 24, 2011, counsel for GE contacted Tom Henderson, counsel for the Candies Parties, requesting that he provide available dates to for each to be deposed. (See email dated January 24, 2011, attached hereto as Exhibit "1"). Mr. Henderson responded that he had passed GE's request to Karl Zimmerman, co-counsel for the Candies Parties and would "be back to you [GE] asap." *Id.* Counsel for GE heard nothing further from Mr. Henderson in response to its January 24 request.
- 3. Counsel for GE next contacted Mr. Henderson, together with Tom Cortazzo and David Carrigee, also counsel for the Candies Parties, on January 28, 2011, again requesting available dates to depose the Candies Parties. (See email dated January 28, 2011, attached hereto as Exhibit "2"). No response was received to GE's January 28, 2011 request.
- 4. On February 28, 2011, counsel for GE sent a third request to Mr. Henderson and Mr. Cortazzo. GE enclosed Deposition Notices for the Candies Parties with this request because counsel for Otto Candies had been unresponsive to GE's two previous attempts to arranges deposition dates. (See email dated February 28, 2011 attached hereto as Exhibit "3"). GE advised that "[A]lthough we have noticed each deposition for a certain date and time, we are certainly willing to work with you. If you have a conflict with any of the dates and/or times for which we have noticed these depositions, please contact us to reschedule." *Id*.
- 5. Mr. Cortazzo contacted counsel for GE advising that he would be traveling and participating in a sanctions hearing in the main bankruptcy case on two of

the dates in which GE had noticed depositions. (See email dated March 2, 2011, attached hereto as Exhibit "4.") GE agreed to reschedule the depositions of the Candies Parities. Id. Mr. Cortazzo never contacted GE with new available dates to do so.

- 6. On March 16, 2011, counsel for GE made a fourth attempt to obtain available dates from counsel for the Candies Parties. (See email dated March 16, 2011, attached hereto as Exhibit "5"). In an email to Mr. Cortazzo, counsel for GE advised that, if they did not receive available dates before 12:00 p.m., on March 18, 2011, counsel for GE would have no choice but to file a Motion to Compel. *Id*.
- 7. Finally, in an attempt to avoid having to file this Motion to Compel and involve the Court in this matter, on March 17, 2011, following the hearing on Otto Candies' Motion to Consolidate, counsel for GE again requested Mr. Cortazzo and Mr. Henderson to discuss available dates to depose their clients or GE would have no choice but to file a Motion to Compel. (See email dated March 17, 2011, attached hereto as Exhibit "6"). GE has received no response to either its conversation in court or follow-up email.
- 8. GE's good faith efforts to secure the testimony of the Candies Parties prior to the April 15, 2011 discovery deadline have been met with continued resistance and opposition. GE has attempted to obtain dates to depose the Candies Parties with virtually no cooperation, and delay on the part of the Candies Parties at this time is unnecessary and transparent. GE has endeavored to move these matters forward, while the Candies Parties have stonewalled GE.
- 9. Consequently, for the reasons set forth above, pursuant to Rule 37 of the Federal Rules of Civil Procedure, GE is requesting that this Court issue an Order

compelling the corporate representative of Otto Candies, LLC to appear on April 5, 2011; Otto Candies, Jr. to appear on April 6, 2011; Otto Candies, III to appear on April 7, 2011; and Paul Candies to appear on April 8, 2011 at the offices of Adams and Reese, LLP, located at 1221 McKinney, Suite 4400, Houston, Texas, 77010 at 9:30 a.m. for their depositions to be taken. In addition, GE has incurred substantial (and unnecessary) expenses and attorneys' fees due solely to the Candies Parties' lack of cooperation and delay in setting simple depositions. Accordingly, GE seeks an award of expenses and attorney's fees associated with the filing of this motion pursuant to Rule 37(a)(5).

WHEREFORE, GE requests that this Court issue an Order Granting it Motion to Compel, order the Candies Parties to appear for their depositions as set forth above, granting GE its expenses and attorney's fees associated with the filing of this motion, and for all other relief to which GE may be entitled in law and equity.

Respectfully submitted,

ADAMS AND REESE LLP

By: /s/ Susan C. Mathews

John Duck *
Federal Bar No. 17156
Susan C. Mathews
State Bar No. 05060650
Michael N. Mire
State Bar No. 24010757
4400 One Houston Center
1221 McKinney
Houston, TX 77010

Telephone: (713) 652-5151 Facsimile: (713) 652-5152

Attorneys for Defendant, General Electric Capital Corporation

-

Admitted in the State of Louisiana.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing has been forwarded to all parties on the attached Service List via electronic file notification by the Clerk of the Court, except those parties as indicated (*), on this 18th day of March 2011.

/s/ Susan C. Mathews
Susan C. Mathews

SERVICE LIST

Counsel for Plaintiff - Deep Marine 1, LLC

Jason G. Cohen

William Alfred Wood, III Bracewell & Giuliani LLP 711 Louisiana St, Ste 2300

Houston, TX 77002 713-221-1416

Fax: 713-221-1212

Email: trey.wood@bgllp.com Email: jason.cohen@bgllp.com

Counsel for Defendant - Otto Candies, LLC

Thomas S. Henderson, III

Thomas S. Henderson, Attorney at Law

711 Louisiana, Ste 3100 Houston, TX 77002

713-227-9500 Fax: 713-620-3023

Email: thenderson@tsh-atty.com

David Carrigee

Baldwin Haspel Burke & Mayer, LLC

1100 Poydras St., Suite 2200 New Orleans, Louisiana 70163

504-569-2900 Fax: 504-569-2099 Deep Marine Liquidating Trust

John Bittner, Liquidating Trustee

Grant Thornton LLP 1717 Main Street

Suite 1500

Dallas TX 75201 214-561-2300

Fax: 214-561-2370

Email: John.Bittner@GT.com

<u>Defendant - NREC Power Systems, Inc.</u>

Bryan F. Chaisson NREC Power Systems CEO/Vice President 5222 Hwy 311

Houma, LA 70360-2878 *via-first class mail

Counsel for Defendant - CapRock

Communications, Inc.

Edward L Rothberg T. Joshua Judd

Hoover Slovacek, LLP 5847 San Felipe, Suite 2200

Houston, TX 77057 713-977-8686 Fax: 713-977-5395

Email: rothberg@hooverslovacek.com

Counsel for Defendant - Crossmar, Inc.

Andrew T. Lilly

Stephen Lynn Williamson Ryan Matthew McCabe Montgomery Barnett, LLP 3300 Energy Centre

1100 Poydras Street New Orleans, LA 70163

504-585-7637 Fax: 504-200-8937

Email: alilly@monbar.com Email: swilliamson@monbar.com

Email: rmccabe@monbar.com